

November 14, 2008



Ms. Heather Anderson, Esq.
State Regulation of Public Utilities Review Committee
Post Office Box 142
Columbia, SC 29202

Dear Ms. Anderson:

I am hereby submitting these comments and attached documents on behalf of the international environmental organization Friends of the Earth, which has an office here in South Carolina which works on energy issues in the state and southeast.

I ask that my name be put on a list to speak at any hearing or event held by the State Regulation of Public Utilities Review Committee, on conservation and efficiency and renewables, proposed new nuclear reactor projects by SCE&G and Duke Energy, and reprocessing at the Savannah River Site.

1. Attached you will find two reports on the folly of reprocessing spent nuclear fuel:

a. Radioactive Waste and The Global Nuclear Energy Partnership

<http://www.ips-dc.org/reports/#313>

b. Risky Appropriations: Gambling US Energy Policy on the Global Nuclear Energy Partnership

<http://www.whistleblower.org/doc/2008/GNEPMarch.pdf>

Reprocessing, part of the U.S. Department of Energy's Global Nuclear Energy Partnership (GNEP) is a costly, dirty and dangerous program which must be rejected by South Carolina. Talk amongst some politicians in South Carolina reflects profound ignorance about reprocessing, which calls for a n assessment based on facts and science and not fantasy. Due to growing skepticism, the program is likely to hit some rough sailing in the new Congress and as the facts will triumph over misrepresentation and given that funds for such boondoggles are short.

While the CECAC report has language which supports a look at reprocessing, there is absolutely no way South Carolina could pursue reprocessing apart from a federal program, but that's how the CECAC language sounds. The GNEP concept is based on a complex which includes a reprocessing facility, a fuel fabrication facility and a fleet of "fast" (breeder) reactors which do not now exist, and a waste management facility, including massive tanks to store liquid high-level nuclear waste. It is beyond fanciful to conceive of South Carolina being able to pursue any of these components alone, much less during a severe financial crisis where little, if any, funding will be available for new projects. And, no private money had come forward to back any part of the GNEP program. It is simply a big-government program which is ripe for the

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milking by special interests. We want no part of such a dirty and dangerous scheme which will make the Savannah River Site look clean in comparison.

Any consideration of a policy statement from the S.C. legislature which may be supportive of reprocessing must be preceded by full hearings on the matter. Friends of the Earth would request that we be allowed to bring national experts to testify in a legislative hearing or before the State Regulation of Public Utilities Review Committee.

I request that my enclosed letter on reprocessing, copied earlier to you and sent to the governor's Nuclear Advisory Committee, be included as part of the comments being sought by the State Regulation of Public Utilities Review Committee.

2. Pertaining to nuclear power, attached you will find:

- a. **Surrebuttal Testimony of Nancy Brockway** (posted on PSC website at:
<http://dms.psc.state.sc.us/attachments/9C96AE15-9495-5B1E-E69DFA470663B1E6.pdf>
- b. **DOE Announces Loan Guarantee Applications for Nuclear Power Plant Construction**, DOE news release, Oct.2, 2008 <http://www.energy.gov/news/6620.htm>
- c. **Why a Future for the Nuclear Industry is Risky**
<http://www.nirs.org/factsheets/whynewnukesareriskyfacts.pdf>

This enclosed testimony was filed on behalf of Friends of the Earth on November 14, 2008, in our formal intervention with the S.C. Public Service Commission docket (2008-196-E) on SCE&G's request for a rate hike to build two new AP1000 reactors at its V.C. Summer site in Fairfield County.

I would draw your attention to information contained in the testimony about the cost and financial risks associated with the AP1000 reactor, that the design for that reactor is far from finished, and that if CECAC efficiency and renewable recommendations are implemented or if SCE&G were to voluntarily comply with such or greater standards and implement a vigorous Demand Side Management (DSM) program that the reactors could be rendered unneeded with application of those cheaper options. Aggressive DSM and renewable energy programs are the best way for South Carolina to urgently address climate change threats now before us.

Duke Energy stated on November 3, in a letter filed with the PSC (enclosed and on PSC website at: <http://dms.psc.state.sc.us/attachments/64528912-FBCF-E922-500CA6F255E1CBA4.pdf>), that two AP1000 reactors would cost \$11 billion, excluding escalation and finance charges, which could add perhaps another \$5 billion to the cost. SC&G filed its application with the PSC on May 30 and at that time it said two AP1000s would cost \$9.8 billion, a figure far under all other estimates nationwide and which has not be updated. These figures are for "overnight" cost, the cost if they could be built tomorrow.

Some estimates for two AP1000s run as high as \$25 billion or more. On October 2, as you can see in the attached news release, DOE said that an average single new nuclear reactor would cost \$9 billion, or \$18 billion for two units. Just why the Duke and SCE&G figures are so off the mark of what the federal government just released has not been explained by the companies. Due to the risks involved with cost, we urge great caution in endorsing these nuclear projects which could spin out of control, as Ms. Brockway has testified.

I urge you to also consider the "**Risky**" document by former NRC commissioner Peter Bradford and David Schlissel, who are top experts on the risks associated with the construction of new reactors whose cost is rapidly spiraling upward.

I have also enclosed a Friends of the Earth newsletter which has an article that raises concerns about some biofuels. Also enclosed is a newsletter from the Institute for Energy and Environmental Research, which has an informative article on nuclear power risks.

Thank you for this opportunity to comment and to later present oral testimony.

Sincerely,

A handwritten signature in black ink that reads "Tom Clements". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Tom Clements
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